

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

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In re:	:
	:
	: Chapter 11
LandAmerica Financial Group, Inc., et al.,	:
	:
	: Case No. 08-35994
Debtors.	:
	:
	: Jointly Administered
	:
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**SUMMARY FOR FIRST AND FINAL APPLICATION OF
McGRATH NORTH MULLIN & KRATZ, PC LLO FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 1, 2008 THROUGH AUGUST 31, 2009**

Name of Applicant: **McGRATH NORTH MULLIN & KRATZ, PC
LLO**

Authorized to Provide
Professional Services to: **Special Counsel to Official Committee of
Unsecured Creditors**

Date of Retention: ***nunc pro tunc* as of November 26, 2008**

Period for which compensation and/or
reimbursement is sought: **December 1, 2008 through August 31, 2009**

Amount of Compensation sought as
actual, reasonable and necessary: **\$4,676.00**

Amount of Expense Reimbursement sought
as actual, reasonable and necessary: **\$ 740.15**

Fees Paid for Current Application Period: **\$ 0.00**

Expenses Paid for Current Application
Period: **\$ 0.00**

This is a first and final fee application.

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Special Counsel to the Official Committee of Unsecured Creditors

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 OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 1, 2008 THROUGH AUGUST 31, 2009**

McGrath North Mullin & Kratz, PC LLO (“**McGrath North**”) submits this first and final application (the “**Application**”) pursuant to sections 330 and 331 of the United States Bankruptcy Code, 11 U.S.C. § 101, et seq. (as amended, the “**Bankruptcy Code**”) for allowance of compensation and reimbursement of expenses for the period December 1, 2008 through and including August 31, 2009 (the “**Application Period**”) for professional services rendered by McGrath North as special counsel to the Official Committee of Unsecured Creditors of LandAmerica Financial Group, Inc. (the “**Committee**”).

As discussed below, McGrath North seeks an aggregate final allowance in the amount of \$5,416.15, consisting of \$4,676.00 in fees (the “**Fees**”) and \$740.15 in expenses (the

“**Expenses**”) incurred during the Application Period. In support hereof, McGrath North respectfully represents as follows:

I. BACKGROUND

1. On November 26, 2008 (the “**Petition Date**”), LandAmerica Financial Group, Inc. (the “**Debtor**”) filed a voluntary petition for relief with this Court under chapter 11 of the Bankruptcy Code, thereby commencing the instant bankruptcy proceedings (the “**Bankruptcy Case**”). Also, on November 26, 2008, an affiliate of the Debtor, LandAmerica 1031 Exchange Services, Inc. (“**LES**”), filed a voluntary petition for relief with this Court under chapter 11 of the Bankruptcy Code. In addition, on March 6, 2009, March 27, 2009, March 31, 2009 and July 17, 2009 affiliates of the Debtor (LandAmerica Assessment Corporation, LandAmerica Title Company, Southland Title Corporation, Southland Title of Orange County, Southland Title of San Diego and LandAmerica Credit Services, Inc., collectively the “**Subsidiary Debtors**”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with this Court. The bankruptcy cases for the Debtor, LES, and the Subsidiary Debtors (collectively, the “**Debtors**”) have been procedurally consolidated for administrative purposes (collectively, the “**Chapter 11 Cases**”).

2. The Debtor continues to operate its businesses and manage its properties as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Bankruptcy Case.

3. On December 3, 2008, the United States Trustee for Region Four (the “**U.S. Trustee**”), pursuant to section 1102 of the Bankruptcy Code, appointed the Committee to represent the interests of the Debtor’s unsecured creditors in the Bankruptcy Case.

4. On August 27, 2009, this Court entered an order authorizing the Committee to employ McGrath North as special counsel to the Committee, *nunc pro tunc* as of November 26, 2008 [Doc. No. 1937] (the “**Retention Order**”).

5. On December 21, 2008, this Court entered that certain Order Under Sections 105(a) and 331 of the Bankruptcy Code Establishing Interim Compensation Procedures dated December 21, 2008 (the “**Compensation Procedures Order**”).

6. Pursuant to the terms of the Compensation Procedures Order, if no objection to a professional’s monthly fee request is served within twenty (20) days of the date of service of such monthly fee request, then the Debtor is authorized to pay such professional eighty-five percent (85%) of the requested fees and one hundred percent (100%) of the requested expenses. The Compensation Procedures Order provides for the payment of the remaining fifteen percent (15%) of fees following approval of the professional’s interim fee application by this Court.

II. JURISDICTION AND VENUE

7. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

III. CASE STATUS

8. As stated above, no trustee or examiner has been appointed pursuant to 1107(a) and 1108 of the Bankruptcy Code.

9. On September 9, 2009, the Debtor and its affiliated debtors filed the Joint Chapter 11 Plan of LandAmerica Financial Group, Inc. and Its Affiliated Debtors [Doc. No. 1992] (as amended on October 2, 2009 [Doc. No. 2109], on October 12, 2009 [Doc. No. 2185], on October 13, 2009 [Doc. No. 2206] and as may be further amended from time to time, the “**Plan**”) and a Disclosure Statement [Doc. No. 1991] (as amended on October 2, 2009 [Doc. No. 2110], on

October 12, 2009 [Doc. No. 2186], on October 13, 2009 [Doc. No. 2207] and as may be further amended from time to time, the “**Disclosure Statement**”) with respect to the Plan. A hearing to consider the adequacy of the Disclosure Statement was held on October 13, 2009. On October 14, 2009, the Court approved the Disclosure Statement in its Omnibus Order: (A) Approving Disclosure Statement; (B) Fixing Voting Record Date; (C) Approving Solicitation Materials and Procedures for Distribution Thereof; (D) Approving Forms of Ballots and Establishing Procedures for Voting on Debtors’ Plan; (E) Scheduling Hearing and Establishing Notice and Objection Procedures in Respect of Confirmation of Debtors’ Plan; and (F) Granting Related Relief [Doc. No. 2214].

10. On September 18, 2009, this Court entered an Order Extending Certain Debtors’ Exclusive Periods to File a Chapter 11 Plan and Solicit Acceptances Thereto Pursuant of Section 1121(d) of the Bankruptcy Code [Doc. No. 2036] through and including October 15, 2009 and December 15, 2009, respectively.

IV. RELIEF REQUESTED

11. Pursuant to this Application, McGrath North seeks an aggregate allowance in the amount of \$5,416.15, consisting of \$4,676.00 in Fees and \$740.15 in Expenses incurred during the Application Period.

12. With respect to the Expenses for which reimbursement is sought hereunder, McGrath North charges \$0.05 per page for photocopying, \$0.35 per page for telecopies, \$.585 per mile for mileage in 2008, and Westlaw charges are billed at actual cost.

V. BASIS FOR RELIEF

A. Retention of McGrath North and General Description of Services Provided

13. Pursuant to the Retention Order, McGrath North was retained as special counsel to the Committee *nunc pro tunc* to November 26, 2008.

14. During the Application Period, attorneys at McGrath North expended 22.6 hours on the Chapter 11 Cases, producing a blended hourly rate of \$185.00.

15. The Fees and Expenses for which McGrath North requests allowance of compensation and reimbursement related to the Application Period and were rendered in connection with the Bankruptcy Case and in the exercise of McGrath North's professional responsibilities as special counsel to the Committee. McGrath North respectfully submits that the services rendered by it during the Application Period were at the request of the Committee and in all respects have been reasonable, necessary, and beneficial to the Committee and to the Debtor's estate.

16. A copy of the detailed time records maintained by McGrath North with respect to the Application Period is attached hereto as **Exhibit A**. Furthermore, attached hereto as **Exhibit B** is a schedule that sets forth (a) the name of each attorney who performed services in connection with this case during the Application Period, (b) the number of hours expended by each attorney, (c) the year in which each attorney was licensed to practice law, (d) the position of each attorney within McGrath North, (e) the standard hourly rate that McGrath North charges for the same or similar services of each attorney in matters not related to the Bankruptcy Case, and (f) the total fees attributable to all such services rendered by each attorney.

17. McGrath North also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendering of professional services. Annexed hereto as **Exhibit C** is a schedule that sets forth the categories of expenses incurred and amounts for which reimbursement is sought. The fee statements that comprise Exhibit A include a detailed breakdown of the expenses.

18. McGrath North's services to the Committee during the Application Period, as set forth more fully herein and in the annexed fee statements and summaries, generally focused on representing the Committee in regulatory hearings before the Nebraska Department of Insurance. McGrath North also researched and analyzed the procedural rules for obtaining discovery requests from and deposing a director of a state agency, and appealing an order from the Nebraska Department of Insurance. McGrath North also prepared a subpoena and a document production request on the Nebraska Department of Insurance. McGrath North further worked with Bingham McCutchen LLP ("**Bingham**") in developing a strategy for obtaining discovery and in connection with Stuart Title's Form A application. McGrath North submits that the hard work of the Committee and its professionals, including McGrath North, to preserve value for the Committee's constituents has been reasonable, necessary, and beneficial to the Debtor's estate and its creditors.

19. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, the Fees requested are fair and reasonable given (a) the complexity of the Bankruptcy Case, (b) the time expended in rendering services in connection with the Bankruptcy Case, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services rendered in cases not under this title. Moreover, with respect to the Expenses sought hereunder, McGrath North has disbursed and/or incurred the Expenses in the ordinary course of rendering professional services during the Application Period. Such Expenses were necessary and reasonable in scope and amount, and do not include a charge for profit. Accordingly, McGrath North hereby requests approval and payment of all Fees and Expenses sought hereunder.

B. Summary of Services Rendered by Category

20. The services rendered by McGrath North during the Application Period have been segregated into several distinct categories in accordance with the U.S. Trustee's Guidelines. Each such category is described in more detail below and with reference to the detailed time entries annexed hereto as **Exhibit A**. With respect to each category of services, McGrath North has worked closely with Bingham to avoid duplication of effort.

Discovery

(Fees Sought: \$1,587.00; Hrs. Billed: 6.9)

21. The services performed by McGrath North in this category primarily related to researching and analyzing the procedural rules for obtaining discovery requests and deposing a director of a state agency as well as preparing a subpoena and a document production request on the Nebraska Department of Insurance.

Appeal

(Fees Sought: \$598.00; Hrs. Billed: 2.6)

22. The services performed by McGrath North in this category primarily related to researching and analyzing issues in connection with appealing an order from the Nebraska Department of Insurance.

Hearing Attendance

(Fees Sought: \$2,491.00; Hrs. Billed: 13.1)

23. The services performed by McGrath North in this category related to preparation for and participation in regulatory hearings before the Nebraska Department of Insurance.

VI. PROCEDURES

24. McGrath North has complied with (i) Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), (ii) the Local Bankruptcy Rules for the Eastern District of Virginia (the "**Local Rules**"), (iii) the United States Trustee Guidelines for

Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996 (the “**U.S. Trustee’s Guidelines**”), and (iv) the Compensation Procedures Order.

25. In accordance with the U.S. Trustee’s Guidelines, contemporaneously with the filing of the Application, a copy of this Application has been provided to The Prudential Insurance Company of America (as chair of the Committee) for approval.

26. In accordance with Rule 2016, Bankruptcy Code Section 504, and the U.S. Trustee’s Guidelines, no payments have heretofore been made or promised to McGrath North for services rendered or to be rendered in any capacity whatsoever in connection with the Chapter 11 Cases. No agreement or understanding exists between McGrath North and any other person or entity for a division of compensation or reimbursement received or to be received herein or in connection with the Bankruptcy Cases.

VII. NOTICE

27. A copy of this Application will be served on the Office of the United States Trustee, the Debtors, counsel for the Debtors, and co-counsel to the Committee, counsel to the Official Committee of Unsecured Creditors for LES and all other required parties in accordance with Fed. R. Bankr. P. 2002(a)(6) and the Compensation Procedures Order. McGrath North submits that no further notice is necessary.

VIII. CONCLUSION

WHEREFORE, McGrath North respectfully requests this Court enter an order: (i) awarding McGrath North \$4,676.00 as a first and final allowance of compensation with respect to the Fees; (ii) awarding McGrath North \$740.15 as a first and final reimbursement of the Expenses; (iii) authorizing McGrath North to retain and apply to the foregoing award the amount

of any payments received in respect of the Application Period; and (iv) granting such other and further relief as the Court may deem proper.

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Dated: Omaha, Nebraska
October 15, 2009

McGRATH NORTH MULLIN & KRATZ, PC LLO

/s/ James G. Powers
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Filed by:

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*Co-Counsel to the Official Committee of
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CERTIFICATE OF SERVICE

I hereby certify that pursuant to the Court's Order Under Sections 105(a) and 331 of the Bankruptcy Code Establishing Interim Compensation Procedures dated December 21, 2008, on the 15th day of October 2009, a true and correct copy of the foregoing was served on all persons receiving electronic notice in these cases, including the following:

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